

# **Best Practices for Government Intervention to Enhance Security of National Critical Infrastructures**

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## **NIAC Working Group Final Report**

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# Presentation Outline

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- ❑ Charter
- ❑ Methodology
- ❑ Proposed Recommendations
- ❑ Requests of the NIAC

# Charter

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- ❑ Conduct a study to assess the impact of focused regulation on the security posture of each critical infrastructure sector
- ❑ Raise awareness of the scope of regulation and other tools to improve security and mitigate risks and vulnerabilities in each critical infrastructure sector
- ❑ Identify the most effective drivers of security improvement in each sector

# Recommendations address:

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- ☐ Understanding how sectors are operating
- ☐ How to interact with industry
- ☐ Defining the scope of discussions with sectors
- ☐ Adopting best practices in market intervention

# Methodology

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- ❑ Surveyed NIAC members for views on benefits of regulation and government intervention
- ❑ Conducted extensive interviews across multiples industries to shape framework
- ❑ Worked with NIAC teams to test and validate findings in four designated sectors: chemicals, financial services, information technology, and water
- ❑ Shared and discussed broadly with multiple industry stakeholders
- ❑ Submitted final report to NIAC Members

# Proposed recommendation: Industry dynamics

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- ❑ Harness market forces
- ❑ Interact with industry sectors at the appropriate level
- ❑ Assess existing sector and organization responses

# Proposed recommendation: Need for intervention

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- Consider both the strength of market response and the impact of failure
- Three guiding questions
  - Will market forces work over time?
  - Can sector provide its own solution?
  - Can regulation be applied successfully

# Proposed recommendation: Scope of discussions

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- ❑ Eight “filters” for assessing response
    - Are there network interdependencies?
    - Does security drive customer switching?
    - Is voluntary sector activity occurring?
    - Can the sector exert peer pressure?
    - Do attacks occur frequently?
    - Could attacks cause catastrophic injury or major economic damage?
    - Is industry profitable enough to invest?
    - Is there sufficient expertise to execute a plan?
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# Proposed recommendation: Intervention best practices

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- ❑ Develop plans in concert with industry
- ❑ Mandate outcomes rather than specific actions
- ❑ Ensure alignment between Federal, State, and Local regulations
- ❑ Evaluate all new and existing rules through a “security filter”
- ❑ Incorporate flexibility or sunset provisions
- ❑ Recognize that funding may be necessary to fulfill government mandates

# Requests of the NIAC

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- Approve “Best Practices” report
  - Discuss any changes and agree
  - Working group will make modifications as required
- Approve letter submitting report to President